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Report Highlights:

Total corn and wheat imports for MY 2003/4 are forecast at 4.8 and 1.14 million metric tons (mmt), respectively, of which 84 percent are expected to come from the U.S.

Declining livestock and poultry production along with increasing competition from Argentina will likely depress future U.S. corn imports. Taiwan's public and private sector rice imports are underway, despite the change from a Minimum Market Access to a Tariff Rate Quota. Any potential opening to PRC corn and rice remains the greatest threat to U.S. grain exports to Taiwan.

Includes PSD changes: Yes

Includes Trade Matrix: No

Annual Report

Taipei [TW1], TW

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Note: U.S.\$1=NT\$34.84, as of 04/22/2003

SECTION I. COMMODITY SITUATION & OUTLOOK

Wheat Situation & Outlook

Imports

Total 2002/3 and 2003/4 wheat imports are forecast at 1.13 million metric tons (mmt) and 1.14 mmt, respectively. Since Taiwan does not produce wheat, all demand is supplied by imports. The U.S. is expected to continue dominating the Taiwan wheat import market, with more than 85 percent market share. Although Canada and Australia are making aggressive attempts to increase sales, Taiwan importers have been reluctant to switch from U.S. suppliers because of long-standing relationships along with favorable U.S. quality, reliability and price. In addition, Taiwan imports a small amount of wheat flour that only accounts for 2 percent of the total flour supply.

Until joining the World Trade Organization (WTO) in January 2002, all wheat was imported for human consumption. After accession, Taiwan began limited imports of feed wheat from India that are expected to total 100 thousand metric tons in 2002/3. Lack of familiarity with the former USSR along with the low quality of its wheat has kept Taiwan interest in Black Sea origins low. Facing increased competitive pressures on livestock producers, Taiwan feed manufacturers have been looking for ways to cut costs to their consumers. The feed millers are increasingly looking for new sources of less costly ingredients, including PRC corn and lower priced non-corn feed grains.

Final 2001/2 Data

In 2001/2, Taiwan imported 1.045 mmt of wheat, up 2 percent from the previous year. The increased volume came from lower prices that boosted demand. On a calendar year basis, approximately 60 percent of U.S. exports to Taiwan in 2002 were HRS or DNS, while 28 percent was HRW, 11 percent Soft or Western White, and 1 percent Durum. The United States was the major supplier, with 93 percent share of the total imports. All U.S. wheat exports to Taiwan were U.S. #1 grade. Australia supplied 5 percent, followed by Canada 2 percent. Feed wheat imports only totaled 3,000 mt. All imported Canadian wheat was HRS type (Canadian Western Hard Spring), while the imported Australian wheat was Hard White, a competitor to the U.S. new Hard White variety. According to local millers, hard white wheat has a desirable protein level and pleasant color that makes it especially suitable for the manufacture of Chinese noodles and steamed buns. Flour imports in 2001 totaled only 14 tmt, about the same level of the 2000. Of these, Japan supplied 12,000 mt., Australia 2,000 mt., and Korea 1,000 mt., unchanged from the previous year.

Consumption

Despite already high per-capita levels, consumption is expected to continue increasing slowly, unless there is an opening to PRC flour, wheat or processed products. Behind this expansion is the dynamism of the wheat food market driven by Taiwan's 6,000 bakeries, convenience stores, and supermarkets. Taiwan consumers are generally very receptive to new products, which encourages many new product launches. As a result, Taiwan bakeries continue to create new products, boosting demand for wheat-based products. This, and the continued high level of noodle consumption, are expected to support increased demand for wheat and wheat flour.

Policy & Prospects

Trade with China

After WTO accession, local industry expects that Taiwan will eventually lift import bans on PRC wheat, flour, and some wheat food products. Taiwan authorities review these restrictions every six months with the next review scheduled for September, 2003. In addition, Taiwan authorities consider petitions from local companies or industrial groups for liberalization every two months. Liberalization could threaten U.S. wheat imports in two ways:

- Imports of PRC instant noodles, which could compete strongly in the Taiwan instant noodle market. Although these products are currently banned, Taiwan's top two instant noodle producers have invested heavily in mainland China and plan to ship from the PRC if Taiwan ends its import ban. In preparing for potential liberalization, one instant noodle company with large PRC investments uses the same brand names for products sold on both sides of the Taiwan Strait. Since a potential flood of Chinese products would greatly influence the Taiwan flour and instant noodle market, this will increase the reluctance of the Taiwan authorities to lift the ban quickly.
- PRC wheat and flour could disrupt the Taiwan wheat market. But even if Taiwan allows the entry of PRC wheat and flour, it would take time for Taiwan millers and food manufacturers to use these products without substantial technical assistance. The continuing freeze on cross-straits political contacts will make it more difficult to resolve the phytosanitary issues for wheat while the potential damage caused to Taiwan millers by flour imports will likely slow market opening. China's unwillingness to negotiate bilaterally on agricultural issues will also impede liberalization.

In the long-run, PRC wheat and products are expected to affect U.S. wheat exports to Taiwan by cutting demand for HRW, WW and SW wheat while possibly boosting it for DNS wheat. Since China produces middle protein wheat and little high protein wheat, Taiwan millers anticipate stiff competition in the low end flour market, where flour is used for making cookies and gluten products. This accounts for 12 percent of the total flour market. On the other hand, Taiwan millers hope to supply high quality flour to the Mainland, if China reciprocates a Taiwan market opening. China's potential for feed grain production has also stimulated interest by Taiwan's feed milling industry in importing PRC feed wheat.

End of the Wheat Stabilization Fund

The Wheat Stabilization Fund was terminated in June 2002 in preparation for Taiwan's accession to the WTO. Taiwan's domestic flour prices now move with world wheat prices. As duties on flour fall, this may increase competition from imported flour and amongst local millers. The two wheat buying groups have broken up into three groups. Under the current group buying mechanism, every mill within the same group purchases wheat at the same price -- despite its size. This leaves some older, small flour mills, which have largely depreciated their equipment, able to compete with the few larger and more efficient mills. Only one inefficient small scale mill closed down in early 2000, but consolidation was not seen in the last year. Taiwan now has 30 mills, with the total milling capacity 2.8 million metric tons. Further consolidation is likely in the next several years as old equipment in marginal mills wears out. A further breakdown in the group buying mechanism would also push less efficient mills out of business.

Corn Situation & Outlook

Imports

Total corn imports for 2002/03 and 2003/04 are forecast at 4.9 million metric tons (mmt) and 4.8 mmt, respectively. This is in line with an earlier forecast 2 percent of decline in feed production resulting from post-WTO production adjustments in Taiwan's swine and poultry sectors. Taiwan's corn market is supplied almost exclusively by imports. Although Post expects U.S. corn to continue dominating the Taiwan corn import market, its share will likely shrink in coming years. The U.S. share of 2002/3 and 2003/4 corn imports are forecast at 80 percent and 85 percent, respectively. In 2002/3 so far, Taiwan has already imported 71 tmt of PRC corn, 336 tmt of Argentine corn, and 28 tmt of Thai corn. U.S. corn is now competing with corn from other sources that are less inexpensive. This shift is a signal that Taiwan may be changing from a quality to a price-driven market.

Taiwan's corn imports totaled 5.0 mmt in 2001/02, down by 2 percent from a year earlier. In 2001/02, the U.S. had a 99.9 percent share of total corn imports. The pressure on local producers from increasing post-WTO meat imports was partially offset by increasing demand for chicken in the lunch box market and higher hog prices.

Consumption

Taiwan's feed corn consumption is expected to contract slowly over the next few years. Virtually all of Taiwan's corn consumption is for feed use except for 250 tmt that is wet milled to produce corn syrup. Expected decreases in local livestock and poultry production will likely cut corn consumption. The local feed industry forecasts that the eventual liberalization of pork belly, variety meat, and chicken meat imports will cut total feed demand to 7 mmt by 2005 from the current 7.6 mmt. In 2002/3 and 2003/4, increasing Tariff Rate Quotas for imported meats are likely to cut feed demand only 1 to 2 percent annually because of the financially healthy hog sector. Current hog prices have risen to NT\$4,500 per 100 kg, compared to the break-even price of NT\$4,000 per 100 kg head.

In 2001/2, Taiwan's feed inclusion rate for corn was approximately 66 percent based on corn supply and feed production figures. The feed inclusion rate of other feed grains combined was 3 percent, including approximately 172 tmt of barley (130 tmt in 2000), 40 tmt of sorghum (same in 2000), and 3 tmt of feed wheat. This was the first time that Taiwan feed millers imported feed wheat for feed milling. Taiwan no longer uses rice for animal feed. It is unlikely that other feed grains will be substituted for corn in 2002 and 2003, but feed wheat may displace Australian barley because of the drought in Australia.

The U.S. Grain Council office in Taiwan is developing the Taiwan bioplastics and ethanol markets, which could become another major potential outlet for corn. One Taiwan company is slated to be the first in the world to make poly-lactic acid (PLA) fiber. Taiwan cooperators are also exploring other ways of using biodegradable plastics to meet demand created by environmental restriction on the use of non-biodegradable products. Since Taiwan has established a 2.6 percent target for using renewable fuels by 2010, this may facilitate the use of ethanol in Taiwan. If Methyl Tertiary Butyl Ether (MTBE) were replaced with ethanol, it could create a market equal to 1 million tons of corn.

Policy & Prospects

Trade with China

Taiwan still bans the entry of PRC corn, despite a temporary suspension of the ban from October 25 thru December 31, 2002. The unprecedented suspension of the ban provided China with its first opportunity to enter the Taiwan market. In the past, Taiwan has only authorized limited imports of Chinese food products to make up for local shortages. Taiwan authorities review these restrictions every six months with the next formal review scheduled for September, 2003. They also review petitions submitted by industry groups. Several feed millers with investments in China or concerned with cost cutting continue to petition Taiwan authorities to end the import ban permanently. If trade is permitted, the geographic proximity of Northeast China to Taiwan could allow smaller shipments, faster delivery and lower carrying costs for Taiwan importers compared to U.S. corn. This makes it possible for small firms to import corn independently of the traditional major buying groups.

However, many Taiwan importers resist the introduction of PRC corn because it will undermine their group buying arrangements and possibly introduce new quality and reliability problems into the Taiwan corn market. In addition, China appears to be subsidizing corn exports, contrary to their WTO Accession Agreement commitments. In March 2003, the president of Jilin Grain Group (JGG), one of China's two authorized corn exporters admitted that the Chinese government was subsidizing corn exports \$36 per ton. The subsidy is the only reason why PRC corn is competitive in Taiwan -- PRC internal corn prices were \$133 per ton while landed in Taiwan it cost only \$115 per ton. Given the shift to a price market in Taiwan, it is likely that an opening to PRC corn would sharply reduce U.S. corn exports -- unless the subsidies are ended.

Livestock Initiatives

To adjust to post-WTO realities and the eventual 2005 import liberalization, Taiwan's livestock and feed industries are working to improve the competitiveness of Taiwan poultry and swine production. The National Animal Industry Foundation (NAIF) was formed in January 2000 in an attempt to differentiate locally produced chicken and pork products from imported products by establishing logos related to freshness and taste. The Taiwan Council of Agriculture (COA) is also attempting to improve the quality of domestically produced meat and poultry products in order to compete more effectively with imported products. COA has also worked to reestablish Taiwan's Food and Mouth Disease (FMD) free status in order to resume Taiwan's pork exports to Japan. Despite COA's efforts, FMD free status is still at least one or two years away. According to COA preliminary feed and livestock production data for calendar year 2002, poultry production remained unchanged from a year earlier because of increased demand for commercial lunch box products. This helped to stabilize demand for feed corn. As a result, WTO accession did not result in the one million head fall in standing hog population and one-third reduction in broiler sector predicted by COA (see TW3004).

Biotechnology Update

On January 1, 2003, Taiwan's bioengineered food labeling regulation came into effect (see TW1007). Initially, these regulations only pertain to corn and soybeans and certain derived of their products. Registration packages for all seven of the most widely commercialized bioengineered corn and soybean events were submitted to the Food Sanitation Bureau (FSB) of the Department of Health (DOH) on time before April 30, 2002 (see TW2011). As of the reporting date, all seven have received full approval. Registration packages for two new events, Dupont TC1507 and Monsanto Yield-guard MON863, were submitted to DOH and are awaiting approval. These two events will likely need full approval before commercialization is permitted, leading to potential trade interruptions if approvals are not forthcoming by Summer, 2003.

Rice Situation & Outlook

Imports

Taiwan switched its import regime to a Tariff Rate Quota (TRQ) system in 2003 from the Minimum Market Access (MMA) system used in 2002, its first year in the WTO. The total quota amount remains at 144,720 mt on a brown rice basis (equivalent to 126 tmt on a milled rice basis). Of this total, 65 percent is reserved for the government purchases and 35 percent for the private trade. All grain dealers who have registered with COA and have a grain dealer license may bid for rice import quotas. The out-of-quota tariff rate is NT\$45/kg for rice and NT\$49/kg for processed rice products, with conversion factor of 1.15 to convert from milled or processed products to brown rice. The quota allocation schedule was reported in the TW3005, and public tender schedule the TW3012.

Without prior consultation, Taiwan submitted the new rice import regime to the WTO in October 2002 and passed implementing legislation in December 2002. The U.S., Australia, and Thailand all raised formal objections in the WTO. The primary concerns were Taiwan's lack of consultation, removal of language committing to the distribution of imported in normal marketing channels and the extremely high out of quota duty.

Under the TRQ's "System Three" quota bidding system, Taiwan has so far successfully allocated 30,652 mt (brown basis) of quota rights to local importers, with the lowest bid price at NT\$7.688/kg (brown basis). The cost for quota rights in 2003 is lower than the lowest 2002 mark up price of NT\$8.26/kg (for milled and brown rice). Allocation of the remaining 20,000 mt of quota rights is scheduled for May 23. Under System Three, importers bid for quota rights that are sold to the highest bidders first. Any remaining quota goes to bidders in descending order until exhausted. System Three allocates quota rights much more quickly than the mark-up system used in 2002 that used a fixed quota allocation schedule for incorporating a NT\$3/kg reduction every two weeks. With exception of any unused quota reallocation, there is no need for quota reallocation under the System Three.

The United States had 69 percent share of the 2002 rice MMA quota (see TW3010). Note: Some of the 2002 MMA rice was imported in 2003, so the MMA totals do not match 2002 trade data. The U. S. import share for 2003 is expected to fall slightly because of increased private sector purchases from Thailand caused by higher U.S. and lower Thai rice prices. According to industry sources, the 2002 government imported brown rice is being sold in Taiwan at NT\$21.23/kg for 2002 crop, equivalent to U.S. rice at C&F \$330/mt. Since current U.S. rice costs around \$400/mt, this price will be very attractive to local millers. As of late April 2003, approximately one-third of government imported rice was released to the market.

Exports

Taiwan has committed to stop selling surplus rice onto the world market at discounted prices after WTO entry and there have been no commercial exports after May 2002. Total 2002 rice exports of 94 tmt were all contracted for prior to WTO entry. No non-food aid rice exports are anticipated in 2003. However, Taiwan will export 5,000 mt of food aid to Iraq in April 2003 and may send as much as 100,000 mt of food aid to other destinations.

Production

Taiwan's rice production policy focused on self sufficiency, despite falling demand and high production costs that vary between \$550/mt to \$820/mt (milled basis). Artificially high prices have resulted in overproduction since the 1970's. To reduce supplies and maintain prices, Taiwan subsidizes other crops through its paddy diversion program and land set-asides. To further stabilize prices, the Taiwan authority purchases 20 – 25 percent of the rice harvest at guaranteed prices, see Table 1 below. As a result, Taiwan rice is not price competitive on the world market. Further information on Taiwan's rice production policies are available in report TW9053. The policies have remained unchanged since 1993.

Table 1. Taiwan's Rice Purchase Programs

	Guaranteed Purchase (paddy basis)	Guidance Purchase (paddy basis)
Variety	Price NT\$/kg (\$/mt)	Price NT\$/kg (\$/mt)
Japonica rice	21 (656)	18 (563)
Indica rice	20 (625)	17 (531)
	Quantity kg/ha	Quantity kg/ha
The Spring crop	1,920	1,200
The Fall crop	1,440	800
Total	3,360	2,000

From 2002, Taiwan ended its ban on imported rice and allowed the import of 144,720 mt. As a result, its post-WTO rice production target has been adjusted downward to 1.18 mmt (1.36 mmt on a brown basis) from 300,000 hectare of land. As a result of a drought in northern Taiwan during the 2003 Spring crop planting season, the 2003 rice production estimate is 1.14 mmt from 288,000 hectares of land. This decrease will help offset the large harvest in 2002 and support prices. Local rice market prices fell from January 2002 to January 2003 but have risen since February 2003, although they remain lower than in 2002.

Marketing

The introduction of imported rice has resulted in the diversification of the Taiwan rice market into different origins and varieties. Taiwan customers now have the choice of many different types of rice, including Calrose, Koshihikari, Jasmine or Tamanishiki. However, because of government procurements, most imported Calrose goes to institutional use, which accounts for 65 percent to 70 percent of total rice distribution. Institutional use is also stimulated by the lack of a price premium for Calrose on the Taiwan market. However, many Taiwan millers prefer marketing a Calrose-Taiwan rice mix because Calrose can improve product quality while allowing mills to make more money. Jasmine Thai rice or Missouri rice, Koshihikari, organic brown, rice with germ, and certified Taiwan good quality rice are priced higher than general rice

varieties.

The diversification of rice products and the presence of new premium varieties have made local consumers increasingly concerned about false labeling of commercially packed rice. To help ensure that people get what they pay for, Council of Agriculture is conducting research on how to better monitor rice freshness, varieties, and origins to ensure more truth in labeling. Current rice labeling guidelines require that commercially packed rice list rice origin, local production county for Taiwan rice, or both for mixed origins. There is an ongoing project to build a "rice DNA fingerprint data bank" to cover rice varieties from Taiwan, the United States, Australia, Thailand, and mainland China. DNA fingerprints help prevent false labeling on rice packages.

Consumption

Total domestic rice consumption in 2002 and 2003 is estimated to fall slightly because of the falling quantity of rice available for feed use. The table rice consumption forecast remains at 1.2 mmt. According to the last published COA *Taiwan Food Balance Sheet*, total domestic rice consumption was 1,354 tmt in 2000, of which 48 tmt was used for feed; 15 tmt for planting; 80 tmt for processing; 13 tmt wasted; while 1,198 tmt went for table rice use. Per capita rice consumption has been falling steadily for the past two decades because of rising disposable income, increasingly western-style consumption patterns and the replacement of cereals by meats in the diet. Per capita rice consumption in 2000 was 54.17 kg, compared to 54.90 kg in 1999 and 65.94 kg in 1990.

Policies and Prospects

Taiwan rice millers are using different market strategies to respond to the post-WTO market. Large millers are both importing and investing in new milling/packing facilities to improve rice quality in order to compete with imported rice. One top local miller has taken out newspaper ads for imported U.S., Japanese, Australian, and Thai rice sold under his brand. Some millers claim that they will stick with locally grown rice and segregate the market from imports though advertising. COA is training its staff to inspect packaged rice in retail outlets to improve domestically grown rice quality in order to be able to compete with imported rice (see TW0004 for Taiwan rice sanitary and quality standards). Imported continues to be inspected on a lot-by-lot basis for pesticide residues, heavy metal and aflatoxin by the import inspection authority, BSMI. This raises some national treatment concerns as Taiwan rice does not appear to be subject to such inspection. Post is taking this matter up with Taiwan authorities.

Other Grains Situation & Outlook

Taiwan imported 172 tmt of barley in MY01/02, down by 23 tmt or 12 percent. Australia supplied 99.9 percent of the total. The MY02/03 import estimate is only 52 tmt because of the drought situation in Australia. India feed wheat is expected to fill the market void (see Wheat Section above). In MY01/02, Taiwan imported 41 tmt of barley, with China and Thailand supplied 39 percent each, followed by Australia 17 and The United States only supplied 2 percent (1 tmt).

SECTION II. STATISTICAL TABLES

Table 2. Wheat Production Supply and Demand

PSD Table						
Country	Taiwan					
Commodity	Wheat				(1000 HA)(1000 MT)	
	2001	Revised	2002	Estimate	2003	Forecast
	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]
Market Year Begin		07/2001		07/2002		07/2003
Area Harvested	0	0	0	0	0	0
Beginning Stocks	320	317	270	285	210	267
Production	0	0	0	0	0	0
TOTAL Mkt. Yr. Imports	1026	1048	1000	1132	0	1140
Jul-Jun Imports	1026	1045	1000	1132	0	1140
Jul-Jun Import U.S.	922	968	0	960	0	960
TOTAL SUPPLY	1346	1365	1270	1417	210	1407
TOTAL Mkt. Yr. Exports	21	0	10	0	0	0
Jul-Jun Exports	21	0	10	0	0	0
Feed Dom. Consumption	45	3	50	100	0	100
TOTAL Dom. Consumption	1055	1080	1050	1150	0	1160
Ending Stocks	270	285	210	267	0	247
TOTAL DISTRIBUTION	1346	1365	1270	1417	0	1407

Note: Stocks data are from COA

Table 3. Corn Production Supply and Demand

PSD Table						
Country	Taiwan					
Commodity	Corn				(1000 HA)(1000 MT)	
	2001	Revised	2002	Estimate	2003	Forecast
	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]
Market Year Begin		10/2001		10/2002		10/2003
Area Harvested	12	11	12	10	0	10
Beginning Stocks	1458	1513	1246	1330	1146	1230
Production	53	60	50	50	0	50
TOTAL Mkt. Yr. Imports	4585	5000	4500	4900	0	4800
Oct-Sep Imports	4585	4993	4500	4900	0	4800
Oct-Sep Import U.S.	4519	4978	0	4080	0	4080
TOTAL SUPPLY	6096	6573	5796	6280	1146	6080
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0
Oct-Sep Exports	0	0	0	0	0	0
Feed Dom. Consumption	4650	4993	4450	4800	0	4700
TOTAL Dom. Consumption	4850	5243	4650	5050	0	4950
Ending Stocks	1246	1330	1146	1230	0	1130
TOTAL DISTRIBUTION	6096	6573	5796	6280	0	6080

Table 4. Rice Production Supply and Demand

PSD Table						
Country	Taiwan					
Commodity	Rice, Milled				(1000 HA)(1000 MT)	
	2001	Revised	2002	Estimate	2003	Forecast
	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]	USDA Official[Old]	Post Estimate[New]
Market Year Begin		01/2001		01/2002		01/2003
Area Harvested	338	338	310	307	0	288
Beginning Stocks	150	525	112	370	250	403
Milled Production	1245	1245	1276	1271	0	1140
Rough Production	1750	1750	1859	1803	0	1617
MILLING RATE (.9999)	7115	7115	6864	7049	0	7049
TOTAL Imports	23	6	106	94	0	158
Jan-Dec Imports	106	6	125	94	0	158
Jan-Dec Import U.S.	0	0	0	52	0	80
TOTAL SUPPLY	1418	1776	1494	1735	250	1701
TOTAL Exports	156	156	94	94	0	5
Jan-Dec Exports	94	156	90	94	0	5
TOTAL Dom. Consumption	1150	1250	1150	1238	0	1238
Ending Stocks	112	370	250	403	0	458
TOTAL DISTRIBUTION	1418	1776	1494	1735	0	1701

Note: the milling rate used in this report is 0.704; 0.8 for brown rice from paddy rice, and 0.88 for milled rice from brown rice.

Table 5. Rice Retail Prices

Prices Table			
Country	Taiwan		
Commodity	Rice, Milled		
Prices in	NTD	per uom	100 kilogram
Year	2002	2003	% Change
Jan	3597	2980	-17.15%
Feb	3278	3004	-8.36%
Mar	3745	3012	-19.57%
Apr	3861		-100.00%
May	3741		-100.00%
Jun	3431		-100.00%
Jul	3394		-100.00%
Aug	3292		-100.00%
Sep	3164		-100.00%
Oct	3080		-100.00%
Nov	3004		-100.00%
Dec	3011		-100.00%
Exchange Rate	34.82	Local currency/US \$	

Table 6. Tariff Rates for Grains

HS Code	Grains	Current Tariff (%)
1001.10 & 1001.90	Wheat	6.5
1101.00	Wheat Flour	19*
1005.10	Corn	0
1007.00	Sorghum	0
1003.00	Barley	0
1006	Rice	NT\$45 per kg**
<i>Source: Taiwan Customs Tariff Schedule</i> * will be reduced to 17.5% in 2004 **Out of Quota rate for unprocessed rice. Private Sector rice imports will enter through the System 3 auction quota allocation system with a price ceiling at NT\$23.26 per kg		

Table 7. Meat Production for 2000-2004 in 1,000 mt

Production	2000	2001	2002	2003	2004
Pork	921	962	928	909	858
Poultry	727	697	697	612	580
<i>Source: Council of Agriculture</i>					

Table 8. Feed Production for 2000-2004 in 1,000 mt

Feed Production	2000	2001	2002 (estimate)	2003 (estimate)	2004 (estimate)
Total Compound Feed Produced	7,693	7,730	7,563	7,400	7,110
by commercial producers	5,232	5,015	4,921	4,810	4,620
by integrated producers	2,460	2,715	2,642	2,590	2,490
<p><i>Note: Feed production estimates are based on the preliminary official data for 2002</i> <i>Source: Data for 2000-2001 feed production are official numbers from the Council of Agriculture</i></p>					

Table 9. Non-Grain & Feed Reports Bibliography

TW2003	1/17/2002	Taiwan Allows Additional Imports from the PRC
TW2007	2/8/02	Import Bans on PRC Grains and Products Retained
TW2011	3/25/02	Biotech Corn and Soybean Events Registration Update
TW2020	6/03/02	Tobacco Annual
TW2033	9/9/02	Livestock Annual
TW2034	9/12/02	Poultry Annual
TW2038	10/08/02	Taiwan Exporter Guide 2002
TW3008	01/30/00	Livestock Semi-Annual